

**ASSEMBLY BILL**

**No. 879**

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**Introduced by Assembly Member Hernandez**

February 26, 2009

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An act to amend Section 11750 of the Insurance Code, relating to workers' compensation insurance.

LEGISLATIVE COUNSEL'S DIGEST

AB 879, as introduced, Hernandez. Workers' compensation: pure premium rate.

Existing law requires the Insurance Commissioner to hold a public hearing within 60 days of receiving an advisory pure premium rate filing. Under existing law, the commissioner must approve, disapprove, or modify the proposed rate within 30 days of the conclusion of the proposed hearing. Existing law does not set a time limit for the time between the initiation and conclusion of the public hearing.

This bill would require the commissioner to initiate and conclude a hearing and issue a final decision regarding the proposed rate within 90 days.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     SECTION 1. Section 11750 of the Insurance Code is amended
- 2     to read:
- 3     11750. (a) The purpose of this article is to promote the public
- 4     welfare by regulating concert of action between insurers in
- 5     collecting and tabulating rating information and other data that

1 may be helpful in the making of adequate pure premium rates for  
2 workers' compensation insurance and for employers liability  
3 insurance incidental thereto and written in connection therewith  
4 for all admitted insurers and in submitting them to the  
5 commissioner for approval; to authorize and regulate the existence  
6 and cooperation of qualified rating organizations to one of which  
7 each workers' compensation insurer shall belong; to authorize and  
8 regulate cooperation between insurers, rating organizations and  
9 advisory organizations in ratemaking and other related matters to  
10 the end that the purposes of this chapter may be complied with  
11 and carried into effect.

12 (b) Notwithstanding any other provision of law, within ~~60~~ 90  
13 days of receiving an advisory pure premium rate filing made  
14 pursuant to subdivision (b) of Section 11750.3, the Insurance  
15 Commissioner shall hold a public hearing, ~~and within 30 days of~~  
16 ~~the conclusion of the hearing, approve, disapprove, or modify and~~  
17 *issue a final decision approving, disapproving, or modifying* the  
18 proposed rate.